

Department of Public Service: Vermont Yankee Decommissioning Status Update

Prepared for the Vermont Nuclear Decommissioning Citizens Advisory Panel

June 14, 2021

The Department of Public Service's Continuing Role

▶ Financial

- ▶ Review financial performance of the project, including cash flow;
- ▶ Analyze the financial health of NorthStar; and
- ▶ Assess the viability of financial assurances.

▶ Technical

- ▶ Confirm work performed is reasonable and consistent with SRT & NDT withdrawals; and
- ▶ Evaluate project to identify risks or concerns that could challenge successful completion.

▶ Department Activities

- ▶ Review monthly summaries of expenditures;
- ▶ Review requests for disbursement from Site Restoration Trust ("SRT");
- ▶ Monthly meetings with NorthStar to follow-up with reporting;
- ▶ Department consultant conducts regular site visits to verify work completed; and
- ▶ Upload publicly available information to the Department's VY Decommissioning Page.

Financial & Technical Updates

- ▶ Site Visit conducted early April 2021;
 - ▶ Included observation of work activities in turbine building, the refueling floor, and outside areas to the west and south of the turbine building;
 - ▶ No conditions observed during visit were inconsistent with the project progress reported by NorthStar in their February and March 2021 status reports;
- ▶ Progress - Based on the last approved schedule provided by NorthStar and the annual financial reporting, the Department's consultants find the estimated work completed to be reasonable. NorthStar appears to be on course to complete the project with available funding;
- ▶ NGS-WCS Group Holdings, LLC submitted request to the Commission for indirect acquisition of a controlling interest in NorthStar Vermont Yankee, LLC & NorthStar Nuclear Decommissioning Company, LLC (ePUC Case No. 20-3458-PET);
 - ▶ The Petitioner has requested this application be stayed due to potential changes to the proposed transaction that may require amendment or withdrawal of the petition.

Annual Reporting Requirements

- ▶ The March 2, 2018 Memorandum of Understanding (“MOU”) requires NorthStar to file (i) an annual public certification and (ii) financial disclosures by March 31st of each calendar year;
 - ▶ MOU § 2(h) - Annual Public Certification - submitted to the Department of Public Service, the Agency of Natural Resources, the Department of Health, and the Vermont Office of Attorney General;
 - ▶ Mou § 2(i) - Annual Financial Disclosures - submitted only to the Department.

MOU § 2(h) - Annual Public Certification

- ▶ § 2(h)(1): A detailed description of all work completed as of that date pursuant to corrective action plans approved by ANR pursuant to Subchapter 5 of the I-Rule;
 - ▶ There are three corrective action plans approved by ANR to date, with anticipation of two additional corrective action plans to be submitted in 2021;
- ▶ § 2(h)(2): A detailed description and schedule of remaining corrective actions and site restoration work;
 - ▶ Submitted within the public certification and to ANR;
- ▶ § 2(h)(3): The amount of funds available for site restoration as of the end of the calendar year preceding the date of the report; and
 - ▶ The balance of the SRT as of December 31, 2020 was \$62,430,024.55;
 - ▶ The balance of the SRT as of May 31, 2021 is \$60,314,097.31;
- ▶ § 2(h)(4): The amount of funds estimated to be required to complete site restoration;
 - ▶ Approximately \$18.135 million required to complete site restoration.

MOU § 2(i): Financial Disclosures and Reports

- ▶ § 2(i)(1): Audited financials for NorthStar Group Holdings, LLC and NorthStar Group Services, Inc. for the preceding calendar year
 - ▶ Audited financials were timely received;
- ▶ § 2(i)(2): Audited statements of NDT and SRT fund balances (with current investment mix), and an accounting of all disbursements;
 - ▶ Audited statements of fund balances were timely received;
- ▶ § 2(i)(3): A schedule of both cumulative historic. . . And project fund activity for NDT and SRT funds . . . Including an updated “pay item disbursement schedule” and . . . An update of the current “Deal Model” through completion of partial site release and site restoration of the VY Station site;
 - ▶ NorthStar provided an updated pay-item disbursement schedule and deal model to the Department;
- ▶ § 2(i)(4): A variance analysis, comparing actual disbursements detailed in the updated “Deal Model” to estimated disbursements in the prior year’s reporting, explaining all variances in excess of 10% or \$2 million;
 - ▶ NorthStar provided Deal Model Variance Analysis reporting and explaining all 2020 variance in excess of 10% or \$2 million.

Financial Update Disbursements from NDT and SRT

Table 1: Nuclear Decommissioning Trust Disbursements

| Date Received | Disbursement |
|-----------------------------------|----------------|
| April 5, 2021 (for March 2021) | \$7,600,000.00 |
| May 6, 2021 (for April 2021) | \$7,200,000.00 |

Table 2: Site Restoration Trust Disbursements

| Date Received | Disbursement |
|---------------|--------------|
| March 2, 2021 | \$292,701.00 |
| April 5, 2021 | \$292,701.00 |
| May 5, 2021 | \$292,701.00 |
| June 3, 2021 | \$292,701.00 |

- ▶ As of May 31, 2021, the NDT balance is roughly \$330.3 million;
- ▶ As of May 31, 2021, SRT balance is roughly \$60.3 million;
- ▶ All disbursements are for work already completed.

Financial Update: Trust Balances

Table 3: Trust Balance Update

| | Nuclear Decommissioning Trust (NDT) | Site Restoration Trust (SRT) |
|----------------|-------------------------------------|------------------------------|
| March 31, 2021 | \$342,469,634.72 | \$60,483,734.10 |
| April 30, 2021 | \$337,180,909.77 | \$60,417,981.79 |
| May 31, 2021 | \$330,285,697.19 | \$60,314,097.31 |